Order Instituting Rulemaking on the Commission's Own Motion into the programs, practices and policies related to implementation of the California Environmental Quality Act as it applies to jurisdictional telecommunications utilities.

Rulemaking 00-02-003

COMMENTS OF THE DIVISION OF RATEPAYER ADVOCATES ON THE DRAFT DECISION MODIFYING THE COMMISSION'S APPLICATION OF CEQA TO TELECOMMUNICATIONS UTILITIES

In accordance with Rule 77.5 of the California Public Utilities Commission's (Commission's) Rules of Practice and Procedure, the Division of Ratepayer Advocates (DRA) submits these Comments on the Draft Decision Modifying the Commission's Application of CEQA to Telecommunications Utilities (DD). Silence on a particular issue should not be construed as assent.

DRA supports the DD and its proposed modifications to the Commission's proposed ETP process insofar as it promotes the critical objectives of competitive and technological neutrality vis a vis a reasonably efficient environmental review process. The modified proposal effectively addresses parties' concerns while setting forth a modified ETP review process that is narrower in scope than the Commission's original ETP proposal while meeting the goals of this rulemaking. Furthermore, the Commission's modified ETP should assist in creating more consistent environmental regulations, thereby helping to remove one barrier to competition.

The modified ETP proposal is a promising initiative that sets forth uniform construction permitting requirements consistent with the Commission's objective in this proceeding of competitive and technological neutrality among telecommunications

carriers. In addressing parties' concerns, the DD provides modifications to the proposed ETP, which are reasonable because they remain compliant with CEQA and standardize the review process without imposing additional unnecessary review requirements on carriers. Furthermore, if adopted, the modified ETP will result in more consistent regulatory treatment for all carriers, which will hopefully assist in increasing consumer choice. In attempting to streamline the scope of the ETP process, the modified DD reasons that the rationale behind the Commission's current policy of "limited facilities-based" authority should also apply to the proposed construction permitting process. Accordingly, the DD exempts construction in and on existing buildings and structures so long as such activity results in "no significant visual impact" and does not "take place on or adjacent to a particularly sensitive environment." This approach strikes an effective balance between the efficiency of review and compliance with CEQA.

However, as the DD correctly acknowledges, there is a natural disparity in CEQA review requirements between incumbents and market entrants. The DD states that incumbents could "essentially get a new system while undergoing less CEQA review than a new entrant," but it also reasons that this proceeding may not be an appropriate forum "to redress any and all perceived competitive imbalances." While DRA agrees with the DD, ideally, regulatory equality among carriers is not incompatible with an effective construction permitting process. Despite this inherent advantage for incumbents, the modified proposal is a step forward in establishing a more competitively neutral construction permitting process, regardless of the potential multiplicity of vintages of CPCNs among telecommunications carriers.

The modified ETP proposal would effectively result in a more efficient and competitively and technologically neutral construction permitting process to telecommunications carriers, hopefully resulting in greater consumer choice as well. Thus, the DD should be adopted in its current form.

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¹ Opinion Modifying the Commission's Application of the California Environmental Quality Act to Telecommunications Utilities (Modified DD), June 20, 2006, at 12.

² Modified DD at 15.

Respectfully submitted,

/s/ NATALIE L. BILLINGSLEY

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July 10, 2006

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing document "COMMENTS OF THE DIVISION OF RATEPAYER ADVOCATES ON THE DRAFT DECISION MODIFYING THE COMMISSION'S APPLICATION OF CEQA TO TELECOMMUNICATIONS UTILITIES" in R.00-02-003 by using the following service:

[X] E-Mail Service: sending the entire document as an attachment to all known parties of record who provided electronic mail addresses.

[] U.S. Mail Service: mailing by first-class mail with postage prepaid to all known parties of record who did not provide electronic mail addresses.

Executed in San Francisco, California, on the 10th day of July, 2006.

/s/ REBECCA ROJO

REBECCA ROJO

NOTICE

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address and/or e-mail address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

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